

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 2126 – HB 2175**

January 10, 2012

**SUMMARY OF BILL:** Authorizes the sale of Class C Common Fireworks in Shelby County.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Exceeds \$100,000**

**Increase Local Revenue – Exceeds \$32,000**

**Assumptions:**

- According to the Department of Commerce and Insurance, any increase in state expenditures to issue additional fireworks permits and collect sales tax will not be significant.
- According to the Department of Revenue (DOR), Rutherford County is currently the largest Tennessee county permitting fireworks sales. In FY11, Rutherford County collected \$28,577 in state sales tax on fireworks.
- According to the DOR, Shelby County's population is 3.58 times greater than that of Rutherford County. Therefore, DOR estimates an increase in state revenue from sales tax collections exceeding \$100,000 (\$28,577 Rutherford state sales tax x 3.58 Shelby County population).
- An increase in local government revenue from sales tax collections could exceed \$32,000 [(\$100,000 state sales tax revenue / 7% state sales tax) x 2.25% Shelby County sales tax].

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jdb

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